

# **Fiscal Services Division**

## **Legislative Services Agency**

### **Fiscal Note**

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HF 2309 – Child Support Recovery Technical Changes (LSB 5132 HV)  
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Fiscal Note Version - New

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#### **Description**

House File 2309 brings Iowa's Child Support Recovery Unit (CSRU) of the Department of Human Services into compliance with the federal Deficit Reduction Act of 2005 and makes technical changes.

**Division I** provides for assignment or transfer of child support to the State when a child receives Family Investment Program (FIP) assistance.

**Division II** permits garnishment of money held by the State to pay delinquent child support.

**Division III** clarifies the requirements a consumer reporting agency must meet regarding the receipt and use of information received regarding delinquent child support.

**Division IV** requires cellular telephone companies to provide cellular telephone numbers for a computer match to CSRU.

**Division V** authorizes the district court to order certain income providers (such as self-employed persons) to establish a bank account for child support payments if the amount owed is equal to the total payments for one month.

**Division VI** eliminates the requirement for the CSRU to include parent's social security numbers on the notice for administrative levy of an account.

**Division VII** delays implementation of provisions regarding medical support until July 1, 2009.

#### **Assumptions**

Implementation of the provisions of HF 2309 will require the CSRU to update computer programming and add staff, including:

- Contract staff estimated at 535 hours in FY 2009 and 285 hours in FY 2010, at a rate of \$37.70 an hour, for the implementation of changes to the assignment of child support, cellular phone number reporting, and medical support.
- Contract information technology staff estimated at 475 hours in FY 2009 and 4,216 hours in FY 2010, at a rate of \$75 an hour, to reprogram automated system changes required for the assignment of child support, cellular phone number reporting, and medical support.
- 4.5 FTE positions beginning in FY 2010, to gather and review information to determine the availability of health insurance for the child.
- 3.0 FTE positions beginning in FY 2010 to help with the increased workload related to the implementation of medical support requirements.
- Setup costs for 8 employees in FY 2010 of \$6,000 each for rent, computers, cubicles, and office furniture.

The State's share of these costs is 34%.

### **Fiscal Impact**

House File 2309 is estimated to increase General Fund expenditures by \$19,000 in FY 2009 and \$291,000 in FY 2010.

Estimated State Expenditures		
	FY 2009	FY 2010
Contract Staff	\$ 6,861	\$ 107,499
Contract Information Technology Staff	12,113	3,657
Salaries	0	157,361
Setup Costs	0	16,320
Paper, Postage, Sheriff Fees	0	6,024
Total	<u>\$ 18,974</u>	<u>\$ 290,861</u>

### **Source**

Department of Human Services, CSRU

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/s/ Holly M. Lyons

February 25, 2008

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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